

**714.27A Used catalytic converter transactions — reporting — penalties.**

1. For purposes of [this section](#):

a. “*Business transaction*” means an exchange of consideration for a catalytic converter between a scrap metal dealer, as defined in [section 714.27](#), and another scrap metal dealer, an authorized vehicle recycler licensed under [chapter 321H](#) operating a business at a fixed location, a motor vehicle dealer licensed under [chapter 322](#) operating a business at a fixed location, a towable recreational vehicle dealer licensed under [chapter 322C](#) operating a business at a fixed location, a mechanic or an automotive repair facility operating a business at a fixed location, or a person operating a similar business at a fixed location in another state.

b. “*Catalytic converter*” means a catalytic converter that was previously installed in a motor vehicle and subsequently removed.

2. a. A person shall not sell a catalytic converter in this state unless the person provides to the purchaser, at or before the time of sale, the person’s name, address, and place of business, if any, and presents to the purchaser a valid driver’s license or nonoperator’s identification card, military identification card, passport, or other government-issued photo identification.

b. For a business transaction in which the person selling the catalytic converter operates a business at a fixed location in this state, the person shall provide to the purchaser a copy of the person’s valid sales tax permit issued pursuant to [chapter 423](#). For a business transaction in which the person selling the catalytic converter operates a business at a fixed location in another state and is authorized to conduct a business transaction in this state, the person shall provide to the purchaser a copy of the person’s valid sales tax permit issued pursuant to [chapter 423](#), if the person has such a permit, or a copy of the person’s valid business license or permit from the other state. If a person is unable to provide the documentation required in this paragraph, the person shall instead comply with paragraph “c”.

c. For transactions other than business transactions, the person selling the catalytic converter shall provide to the purchaser an original receipt or invoice for a replacement catalytic converter purchased fewer than thirty days before the person sells the replaced catalytic converter, or a junking certificate for a vehicle that was issued fewer than thirty days before the person sells the catalytic converter.

(1) The receipt, invoice, or junking certificate presented by the person to the purchaser must be unmarked by a purchaser pursuant to [subsection 3](#).

(2) This paragraph does not apply to a transaction if the person presents proof, unmarked pursuant to [subsection 3](#), to the purchaser that the sale is approved by the sheriff of the county in which the vehicle from which the catalytic converter was removed is registered.

3. a. A person shall not purchase a catalytic converter from a seller without demanding and receiving the information required by [subsection 2](#).

b. A person who purchases a catalytic converter shall mark the receipt, invoice, junking certificate, or proof of sheriff approval presented under [subsection 2](#) to indicate the catalytic converter has been sold. The person shall take a photograph of the catalytic converter that clearly identifies the item as a catalytic converter.

c. A person who purchases a catalytic converter shall have a residence or fixed business address within this state.

4. A person who purchases a catalytic converter shall keep a confidential register or log of each transaction, including a copy of the information required by [subsections 2, 3, and 5](#). All records and information kept pursuant to [this subsection](#) shall be retained for at least two years, and shall be provided to a law enforcement agency or other officer or employee designated by a county or city to enforce [this section](#) upon request during normal business hours when the law enforcement agency or designated officer or employee of a county or city has reasonable grounds to request such information as part of an investigation. A law enforcement agency or designated officer or employee of a county or city shall preserve the confidentiality of the information provided under [this subsection](#) and shall not disclose it to a third party, except as may be necessary in enforcement of [this section](#) or the prosecution of a criminal violation.

5. A transaction under [this section](#) shall make use of a traceable payment method

including but not limited to payment made by check, voucher, issuance of a prepaid bank, credit, or debit card, or electronic funds transfer.

6. A person, including a person who conducts a business transaction on behalf of another person, who violates [this section](#) shall be subject to a civil penalty as follows:

- a. For an initial violation, one thousand dollars.
- b. For a second violation within two years, five thousand dollars.
- c. For a third or subsequent violation within two years, ten thousand dollars.

7. Proof that a person, including a person who conducted a business transaction on behalf of another person, violated [subsection 2 or 3](#) shall be evidence from which the court or jury may infer any of the following:

a. The person aided and abetted the underlying theft of the catalytic converter involved in the transaction from a vehicle, under [section 703.1](#).

b. The person had knowledge that a public offense has been committed and that a certain person committed it, for purposes of proving the person acted as an accessory after the fact under [section 703.3](#).

[2022 Acts, ch 1092, §5](#)

Referred to in [§714.1, 805.8C\(11\)](#)

For applicable scheduled fines, see [§805.8C, subsection 11](#)

NEW section